

LAW OFFICES OF  
KIMBALL, PARR, WADDOUPS, BROWN & GEE  
A PROFESSIONAL CORPORATION

SUITE 1300  
185 SOUTH STATE STREET  
POST OFFICE BOX 11019  
SALT LAKE CITY, UTAH 84147  
TELEPHONE (801) 532-7840  
TELECOPIER (801) 532-7750

CLAYTON J. PARR

December 2, 1991

Mr. Holland Shepherd  
Division of Oil, Gas & Mining  
3 Triad Center, Suite 350  
355 West North Temple  
Salt Lake City, UT 84180-1203


Re: Geneva Steel - Iron Mountain Area

Dear Holland:

Pursuant to your request, I am transmitting a photocopy of a Deed and Termination of Leases dated March 17, 1989, between BHP-Utah International Inc. and Basic Manufacturing and Technologies of Utah, Inc. (predecessor by name change to Geneva Steel). The 36 acres used as a loading area covered by the portion of BHP-Utah's permit M/021/001 that was transferred to Geneva Steel are included in the lands conveyed by this Deed.

Please let me know if you have any questions.

Very truly yours,

  
Clayton J. Parr

CJP/wc  
Enclosure

cc: Roy Benson (w/encl.)

RECEIVED

DEC 03 1991

DIVISION OF  
OIL GAS & MINING

WHEN RECORDED, PLEASE RETURN TO:

Victor A. Taylor, Esq.  
Kimball, Parr, Crockett & Waddoups  
185 South State Street, Suite 1300  
Salt Lake City, Utah 84111 **290173**

Recorded at  
Request of ASSOCIATED TITLE CO  
Date MAR 29 1989 Time 4PM  
Fee \$33.50 Book 394 Page 616-625  
By DIXIE B. MATHESON, IRON COUNTY RECORDER

DEED AND TERMINATION OF LEASES

THIS INSTRUMENT is entered into as of the 17th day of March, 1989, between BHP-UTAH INTERNATIONAL INC., a Delaware corporation, formerly known as Utah Construction Company, Utah Construction & Mining Co. and Utah International Inc. ("Grantor"), whose address is 550 California Street, San Francisco, California 94104, and BASIC MANUFACTURING AND TECHNOLOGIES OF UTAH, INC., a Utah corporation, d/b/a Geneva Steel ("Grantee"), whose address is P.O. Box 2500, Provo, Utah 84603.

WITNESSETH:

FOR THE SUM OF TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee hereby agree as follows:

I. CONVEYANCE WITH WARRANTY

GRANTOR HEREBY CONVEYS AND WARRANTS TO GRANTEE that certain real property located in Iron County, State of Utah, more particularly described as follows:

PARCEL 1:

The North half of the Northwest quarter of Section 32, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

TOGETHER WITH all right, title and interest of Grantor in, to and under that certain Contract, dated January 7, 1954, between The Utah Construction Company, a Utah corporation, as licensee, and Los Angeles & Salt Lake Railroad Company, a Utah corporation, and Union Pacific Railroad Company, a Utah corporation, collectively as licensors, for a private road crossing, recorded May 21, 1954 as Entry No. 99802 in Book 3 of Agreements at Page 488 of the official records of the Iron County Recorder, Utah. Said private road crossing is located in Iron County, Utah, and is across the right-

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Appendix  
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of-way and track of such railroads along a line intersecting the center line of the main track of the Iron Mountain Branch at right angles thereto at Engineer's Station 384+73.4, which is 1,642.3 feet northeasterly, measured along said center line from its intersection with the West line of Section 32, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

PARCEL 2:

Tip Top, patented Lode Mining Claim, Lot No. 56, situated in Section 25, Township 36 South, Range 14 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent recorded February 15, 1905 as Entry No. 10657 in Book 1 of Mining Deeds at Page 544 of the official records of the Iron County Recorder, Utah.)

PARCEL 3:

Black Iron No. 1, patented Lode Mining Claim, and Black Iron No. 2, patented Lode Mining Claim, Survey No. 7249, situated in Section 29 and Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent (and attachments thereto) recorded January 3, 1957 as Entry No. 110641 in Book D of Patents at Page 342 of the official records of the Iron County Recorder, Utah.)

PARCEL 4:

Independence Iron No. 2, patented Placer Mining Claim, situated in Section 19, Lots 6 and 7, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent recorded April 6, 1988 as Entry No. 283121 in Book 377 at Page 949 of the official records of the Iron County Recorder, Utah.)

PARCEL 5:

U.C. Placer No. 13 and U.C. Placer No. 14, patented Placer Mining Claims, situated in Lot 12, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (See Patent recorded January 16, 1969 as Entry No. 151413 in Book 142 at Page 543 of the official records of the Iron County Recorder, Utah.)

PARCEL 6:

U.C. Placer No. 12, patented Placer Mining Claim, situated in Lot 8, Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah, excepting and excluding all that portion of ground embraced in mining claims designated as Mineral Survey Nos. 5041, 5059 and 7249. (See Patent recorded November 16, 1972 as Entry No. 165745 in Book 178 at Page 189 of the official records of the Iron County Recorder, Utah.)

PARCEL 7:

A 16.66666% interest in Independence Iron No. 1, patented Placer Mining Claim, embracing the following described property situated in Iron County, State of Utah: The East 1/2 of the Northeast 1/4 of Section 19, Township 36 South, Range 13 West, Salt Lake Base and Meridian. (See Patent recorded April 12, 1976 as Entry No. 184137 in Book 216 at Page 461 of the official records of the Iron County Recorder, Utah.)

TOGETHER WITH all right, title and interest of Grantor in and to all mines, minerals, lodes and veins within the lines of any of said claims and their dips and spurs, and all appurtenant easements and rights-of-way over adjoining properties and all rights, privileges and appurtenances in any way appertaining thereto.

ALSO TOGETHER WITH all right, title and interest of Grantor in and to all buildings located on said real property, all other structures on, and all fixtures attached to, said real property or the easements described below, including, without limitation, all railroad trackage (including ties, rails and all related materials), the crusher and related improvements and all other physical improvements located on or affixed to said real property or said easements.

ALSO TOGETHER WITH all right, title and interest of Grantor in, to and under the following:

1. Easement Agreement, dated July 19, 1949, entered into between Columbia Iron Mining Company, a Utah corporation, as licensee, and Eugene P. McCahill, as licensor, for an electric transmission line, recorded September 23, 1949 as Entry No. 86277 in Book 2 of Agreements at Page 623 of the official records of the Iron County Recorder, Utah, as assigned pursuant to that certain Agreement and Assignment, dated June 2, 1969,

entered into between United States Steel Corporation, a Delaware corporation, as assignor, and Utah Construction & Mining Co., a Delaware corporation, as assignee, and recorded November 14, 1969 as Entry No. 154230 in Book 149 at Page 286 of the official records of the Iron County Recorder, Utah, covering certain real property located in Iron County, Utah, more particularly described as follows:

Parcel I:

Beginning at a point on the West line of Section 29, Township 36 South, Range 13 West, Salt Lake Base and Meridian, said point of beginning bears North 1303.5 feet from the Southwest corner of said Section 29 and is center line Station 166+81.1; thence North 41°53' East 4032.1 feet along the survey center line to a point on the East line of the Northwest quarter of said Section 29, said point bears South 68°38' West 2890.3 feet from the Northeast corner of said Section 29 and is center line Station 207+13.2.

Parcel II:

Beginning at a point on the South line of Section 10, Township 36 South, Range 13 West, Salt Lake Base and Meridian, said point of beginning bears North 89°51' West 341.2 feet from the South quarter corner of said Section 10 and is center line Station 365+82.3; thence North 41°53' East 2500.7 feet along the survey center line to a point on the East line of the West half of the Southeast quarter of said Section 10 and is center line Station 390+83.0.

Parcel III:

Beginning at a point on the South line of the Northeast quarter of Section 10, Township 36 South, Range 13 West, Salt Lake Base and Meridian, said point of beginning bears North 89°58' West 567.2 feet from the East quarter corner of said Section 10 and is center line Station 402+23.2; thence North 41°53' East 349.6 feet along the survey center line to a point on the East line of said Section 10, said point bears North 632.9 feet from the above-mentioned quarter corner; thence

continuing North 41°53' East 2776.6 feet along the survey center line to a point on the North line of the Northwest quarter of Section 11, said point bears North 89°43' West 811.4 feet from the North quarter corner of Section 11, Township 36 South, Range 13 West, Salt Lake Base and Meridian and is center line Station 438+49.4.

2. Easement Agreement, dated December 1, 1952, entered into between Utah Construction Company, a Utah corporation, as licensee, and various persons, collectively as licensors, for an electric transmission line, recorded February 13, 1953 as Entry No. 95869 in Book 3 of Agreements at Page 249 of the official records of the Iron County Recorder, Utah, covering certain real property located in Iron County, Utah, more particularly described as follows:

Beginning at a point on the East line of the Northeast quarter of Section 29, Township 36 South, Range 13 West, Salt Lake Base and Meridian, said point of beginning bears South 200 feet from the Northeast corner of said Section 29; thence West 2640 feet, more or less, to a point 200 feet South of the quarter Section corner on the North boundary of Section 29, which point is on the West line of said Northeast quarter of said Section 29.

3. Easement Agreement, dated September 1, 1953, entered into between The Utah Construction Company, a Utah corporation, as licensee, and Columbia Iron Mining Company, a Utah corporation, as licensor, for a railroad crossing, recorded September 16, 1953 as Entry No. 97715 in Book 3 of Agreements at Page 308 of the official records of the Iron County Recorder, Utah, covering certain real property located in Iron County, Utah, more particularly described as follows:

Crossing of Columbia Iron Mining Company transmission line right-of-way with a 100 foot railroad right-of-way at a point which bears North 13°09' East 1810.0 feet from the Southwest corner of Section 29, Township 36 South, Range 13 West, Salt Lake Base and Meridian, and is center line Station 172+97.7.

ALSO TOGETHER WITH those certain water rights located in Iron County, Utah, more particularly described as follows:

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1. WUC 71-1279. All of Grantor's right, title and interest and use thereof in and to that certain water right represented by Certificate of Appropriation No. 4125 (WUC 71-1279), as amended by Certificate of Permanent Change a-875, with point of diversion South 1360.8 feet and West 119.3 feet from the Northeast corner of Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

2. WUC 71-2835. All of Grantor's right, title and interest and use thereof in and to that certain water right represented by Certificate of Appropriation No. 6426 (WUC 71-2835), with point of diversion South 37°51' West 1431.0 feet from the Northeast corner of Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian.

SUBJECT TO real property taxes for 1989, now a lien but not yet due or payable, any liens or encumbrances of record, and any liens or encumbrances not of record which do not materially and adversely affect the possession or use of said real property.

## II. QUITCLAIM--UNPATENTED MINING CLAIMS

IN ADDITION, GRANTOR HEREBY QUITCLAIMS TO GRANTEE those certain unpatented mining claims, located in Township 36 South, Range 13 West, Salt Lake Base and Meridian, Iron County, State of Utah, more particularly described as follows:

<u>Name of Claim</u>	<u>Date of Location</u>	<u>Recorded Book/Page</u>	<u>BLM Serial No.</u>	<u>Section Location</u>	<u>Percentage Interest</u>
Tiger No. 1	10-01-50	M/196	UMC 79916	Section 19	100.00%
Tiger No. 2	10-01-50	M/196	UMC 79917	Sections 19 and 30	100.00%
Tiger No. 3	10-01-50	M/197	UMC 79918	Sections 19 and 30	100.00%
Black Rock No. 1	07-01-52	M/379	UMC 79921	Sections 19 and 30	100.00%
Black Rock No. 2	07-01-52	M/379	UMC 79922	Sections 19, 20 and 30	100.00%
Black Rock No. 3	07-01-52	M/380	UMC 79923	Sections 19 and 20	100.00%
Black Rock No. 4	07-01-52	M/380	UMC 79924	Section 19	100.00%
Black Rock No. 5	07-01-52	M/381	UMC 79925	Section 19	100.00%
Black Rock No. 6	07-01-52	M/381	UMC 79926	Sections 19 and 20	100.00%
Black Iron No. 3	12-17-42	L/276	UMC 79898	Sections 29 and 30	66.66%
Black Iron No. 4	12-17-42	L/276	UMC 79899	Sections 19, 20, 29 and 30	66.66%

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Black Iron Fraction No. 5	07-02-49	M/46	UMC 79902	Sections 29 and 30	100.00%
Black Iron No. 6	07-02-49	M/47	UMC 79900	Sections 29 and 30	83.34%
Black Iron No. 7	07-02-49	M/47	UMC 79901	Sections 29 and 30	83.34%

TOGETHER WITH all right, title and interest of Grantor in and to all buildings located on said real property, all other structures on, and all fixtures attached to, said real property, including, without limitation, all railroad trackage (including ties, rails and all related materials), the crusher and related improvements and all other physical improvements located on or affixed to said real property.

### III. QUITCLAIM--OTHER PROPERTY

IN ADDITION, GRANTOR HEREBY QUITCLAIMS TO GRANTEE that certain real property located in Iron County, State of Utah, more particularly described as follows:

#### PARCEL 1:

Brown, patented Lode Mining Claim, Survey No. 3424, comprising a portion of Lot No. 5041, situated in Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For an exact description, see Patent recorded January 22, 1906 as Entry No. 11201 in Book A of Patents at Page 553 of the official records of the Iron County Recorder, Utah.)

#### PARCEL 2:

Black Magnetic, patented Lode Mining Claim, Survey No. 54, situated in Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent recorded June 7, 1988 as Entry No. 284245 in Book 380 at Page 553-557 of the official records of the Iron County Recorder, Utah.)

#### PARCEL 3:

Last Chance, patented Lode Mining Claim, Survey No. 3363, comprising a portion of Lot 4978, situated in Section 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Pinto Mining District, Iron County, Utah. (For exact description, see Patent recorded



January 22, 1906 as Entry No. 11196 in Book A of Patents at Page 537 of the official records of the Iron County Recorder, Utah.)

PARCEL 4:

Sections 19, 20, 29 and 30, Township 36 South, Range 13 West, Salt Lake Base and Meridian, Iron County, Utah. 4

TOGETHER WITH all right, title and interest of Grantor in and to all buildings located on said real property, all other structures on, and all fixtures attached to, said real property, including, without limitation, all railroad trackage (including ties, rails and all related materials), the crusher and related improvements and all other physical improvements located on or affixed to said real property.

IV. TERMINATION OF LEASES

IN ADDITION, GRANTOR AND GRANTEE HEREBY AGREE as follows: (i) that certain Lease Agreement, dated June 14, 1985, notice of which was given pursuant to that certain Notice of Rights and Interests, dated August 31, 1987, and recorded September 1, 1987 as Entry No. 278539 in Book 367 at Page 799 of the official records of the Iron County Recorder, Utah, and that certain Dump Room Lease Agreement, dated November 16, 1967, notice of which was given pursuant to that certain Short Form Lease, dated November 16, 1967, and recorded January 4, 1968 as Entry No. 148069 in Book 135 at Page 345 of the official records of the Iron County Recorder, Utah, both entered into between a predecessor in interest to Grantor, as lessor, and United States Steel Corporation, a Delaware corporation, predecessor in interest to Grantee, as lessee, each covering a portion of the unpatented mining claims being quitclaimed to Grantee pursuant to this instrument, as such leases may have been modified, amended or supplemented, and all right, title and interest of Grantor and Grantee thereunder, are hereby terminated; (ii) such leases shall, as of the date hereof, have no further force or effect; (iii) all of the terms, covenants and conditions of such leases have been fully performed and complied with in all respects; and (iv) Grantor and Grantee hereby forever release and discharge each other from all rights, duties, obligations, claims, liabilities, losses, damages, costs and expenses related to, connected with or arising from such leases.

IN WITNESS WHEREOF, Grantor and Grantee have executed this instrument on the respective dates set forth below, to be effective as of the date first set forth above.

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March 5, 1989

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#290173

GRANTOR:

BHP-UTAH INTERNATIONAL INC., a Delaware corporation, formerly known as Utah Construction Company, Utah Construction & Mining Co. and Utah International Inc.

ATTEST:

[Signature]  
Title Assistant Secretary

By [Signature]  
Its Senior Vice President

Date March 14, 1989

The undersigned hereby acknowledge that they hold the respective positions or titles set forth in the foregoing document, that they signed such document on behalf of BHP-UTAH INTERNATIONAL INC., a Delaware corporation, formerly known as Utah Construction Company, Utah Construction & Mining Co. and Utah International Inc. (the "corporation"), by proper authority and that such document was the act of the corporation for the purpose stated in it, and swear that they had the proper authority to execute such document.

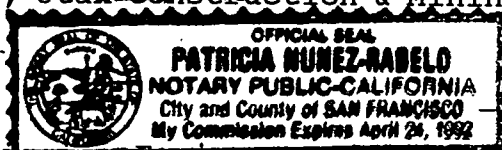
[Signature]

[Signature]

State of California )  
County of San Francisco ) ss.

The foregoing instrument was acknowledged before me this 14th day of March, 1989, by T. R. Winterer and Donald L. Humphreys, the Senior Vice President and Assistant Secretary, respectively, of BHP-UTAH INTERNATIONAL INC., a Delaware corporation, formerly known as Utah Construction Company, Utah Construction & Mining Co. and Utah International Inc.

(Seal)



My Commission Expires:

April 24, 1992

Patricia Nuñez-Rabelo

Residing at:

550 California Street  
San Francisco, CA 94104

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March 5, 1989

GRANTEE:

BASIC MANUFACTURING AND TECHNOLOGIES  
OF UTAH, INC., a Utah corporation,  
d/b/a Geneva Steel

By

Its

Ezra B. Patten  
Senior Vice President  
and Chief Operating Officer

The undersigned hereby acknowledges that he holds the position or title set forth in the foregoing document, that he signed such document on behalf of BASIC MANUFACTURING AND TECHNOLOGIES OF UTAH, INC., a Utah corporation, d/b/a Geneva Steel (the "corporation"), by proper authority and that such document was the act of the corporation for the purpose stated in it, and swears that he had the proper authority to execute such document.

Ezra B. Patten

State of Utah )

) ss.

County of Utah )

The foregoing instrument was acknowledged before me this 20th day of March, 1989, by Ezra B. Patten, the Senior Vice President and Chief Operating Officer of BASIC MANUFACTURING AND TECHNOLOGIES OF UTAH, INC., a Utah corporation, d/b/a Geneva Steel.

(Seal) LOU HENNING  
My Commission Expires:

2-6-90

Residing at:

Salt Lake City, Utah